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# HOUSE BILL No. 1182

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 21-6.1-2-5.

**Synopsis:** Reduction of accrued pension liability. Annually appropriates 1% of all general fund revenues to the teachers' retirement fund until the fund is actuarially sound.

**Effective:** July 1, 2003.

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January 8, 2003, read first time and referred to Committee on Ways and Means.

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Introduced

First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

## HOUSE BILL No. 1182

A BILL FOR AN ACT to amend the Indiana Code concerning education and to make an appropriation.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 21-6.1-2-5 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 5. (a) The general  
3 assembly shall appropriate from the state general fund an amount that  
4 is sufficient to cover the state's actuarial liability for each member  
5 covered by the pre-1996 account and for each state employee covered  
6 by the 1996 account. The board may reduce this liability by the amount  
7 of interest earned on the deposits in the fund. This liability is  
8 determined by the actuarial investigation prescribed in IC 5-10.2-2-9.  
9 The board shall prepare its budget based on this investigation and for  
10 other specified expenditures and shall submit it to the governor or to  
11 another officer or committee authorized by law to recommend the  
12 necessary appropriation.  
13 (b) **In addition to any other appropriation to reduce unfunded**  
14 **liability required by law, there is annually appropriated to the fund**  
15 **from the state general fund an amount representing one percent**  
16 **(1%) of total general fund revenue (as defined in IC 4-10-18-1)**  
17 **until the fund is actuarially sound. For purposes of this subsection,**

2003

IN 1182—LS 6844/DI 14+



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1 **"actuarially sound" means that the total actuarial accrued liability**  
2 **of the fund is less than or equal to the total accrued assets of the**  
3 **fund.**

4 (c) Each school corporation shall contribute to the 1996 account as  
5 specified in IC 21-6.1-7.

6 (d) If members receive compensation from federal funds, the  
7 board shall at the end of each fiscal year determine the employer's  
8 contribution, excluding administration expenses, to be paid from  
9 federal funds. The amount shall be determined by such method adopted  
10 by the board as results in an equitable sharing of the employer  
11 contribution by the federal government on account of members  
12 receiving compensation from federal funds.

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